

# HOUSE BILL REPORT

## HB 1006

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**As Reported by House Committee On:**  
Appropriations Subcommittee on General Government

**Title:** An act relating to removing the requirement that earnings from the Washington horse racing commission operating account be credited to the Washington horse racing commission class C purse fund account.

**Brief Description:** Removing the requirement that earnings from the Washington horse racing commission operating account be credited to the Washington horse racing commission class C purse fund account.

**Sponsors:** Representatives Schmick and Cody; by request of Horse Racing Commission.

**Brief History:**

**Committee Activity:**

Appropriations Subcommittee on General Government: 1/23/13, 1/30/13 [DP].

**Brief Summary of Bill**

- Requires that the State Treasurer credit investment earnings from the Washington Horse Racing Commission Operating Account (Operating Account) to the Operating Account.

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### HOUSE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT

**Majority Report:** Do pass. Signed by 9 members: Representatives Hudgins, Chair; Parker, Ranking Minority Member; Buys, Chandler, Dunshee, Hunt, Pedersen, Springer and Taylor.

**Staff:** Danielle Cruver (786-7157).

**Background:**

The Washington Horse Racing Commission (Commission) is responsible for licensing, regulating, and supervising horse racing in the state.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Commission's Operating Account (Operating Account) consists of daily gross receipts collected from pari-mutuel machines, pari-mutuel tax, source market fees, individual license fees, advance deposit wagering firms annual license fees, racetrack license fees, and miscellaneous gifts, grants, or endowments. It is primarily for the Commission's operations. The Class C Purse Fund Account consists of one-tenth of 1 percent of daily gross receipts of in-state pari-mutuel machines and is used for purse awards for qualifying nonprofit race meets.

All funds received in the Operating Account are held in the State Treasurer's Trust Fund, to be invested by the State Treasurer. Until 2011 investment earnings from the Operating Account were distributed to the Class C Purse Fund for nonprofit race meets. Legislation enacted in 2011 required that investment earnings from the Operating Account must be retained in the Operating Account rather than distributed to the Class C Purse Fund. This legislation did not amend a requirement that the State Treasurer credit investment earnings from the Operating Account to the Class C Purse Fund.

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**Summary of Bill:**

The State Treasurer is required to credit investment earnings from the Operating Account to that account rather than the Class C Purse Fund. The language makes consistent with the State Treasurer the uses of the Operating Account.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This bill cleans up language that will be beneficial to the Commission and completes the legislation of 2011.

(Opposed) None.

**Persons Testifying:** Representative Schmick, prime sponsor.

**Persons Signed In To Testify But Not Testifying:** None.